Screen ICFGB	BDS-TELIS DATA ENTRY S	SUBSYSTEM BCD	11051998	15,40
CCNA EXF PON 1998-21	+79.50593 VER ICS	SBØ! ReaTyp MD	BCT C	
ECCKT AC1983Ø1			Status F	
	Status RPON 198	37-21479-14000	0 10 100	
=======================================	===== Service Details	; =====================================	:::::::::::::::::::::::::::::::::::::::	
NC SHSA NCI Ø4DS6.44	TLV [FDLRD 11061998		
DDLRD 1061998 DFOC 1061	1998 QACI TTT 3 Tr	fTyp TS-TS		
SecTLVEML	CIC Ø393	TRN		
RECCKT				
RECCKT				
CFA AC 198301 F/A		CPT		
CFAU _ AcSwLoc N/A				•
CKRI TG0018284				
SCFA		HBAN		
FACTL ATLNGABUDIT CSPC _		NS _		
LT _ SLC NCI HCED I PSAP	MPTEL 800-940-0033	_ MUXLOC		
Remarke				
THIS IS A CHANGE O	RDER TO CHANGE TANDEM	TO MULTI TANDEM+T	RFTYP SHOUL	D BE
TOSGREET - NEXT COMPLETED				

~~

	BDS-TELIS - ASR Fee			11051998 15,40
	998-21479,50593			ACT C Status F
ASR RECCKT RECCKT	EC Status	RPON 1997-2	1479-14000	NC SHSA
***********	====== Ser	vice Details =:		
SSPC		PE _ SSPC	PCU	TYPE
SSPC	PCU TYI	PE _ SSPC	PCU	TYPE
SSPC	PCU TY	PE _ SSPC	PCU	TYPE
SSPC	PCU TYP	PE SSPC -	PCU	TYPE
PRI ADM	_	SEC ADM		
=======================================	EDECEDER SOLV	ice Options ===	=======================================	
SR MBR OPS GE ALTRO		_ DIDQ _ PC ACT	_ REL TSC	
SCRT	: 00000 _		снок	CGRP
	EEEEEEEE LOCK	tion Section ==		
SecLOC ATLNGABUØIT				
RemarksTHIS IS A CH TM-TM=	ANGE ORDER TO CHA	ANGE TANDEM TO M	IULTI TANDEM.TI	RFTYP SHOULD BE
ICS9098I - NEXT COM	PLETED.			

Scre	en	ICTQ			BD	S-TE	LIS	DATA	R ENT	RY S	UBSY!	STEM			110	5199	98 15	5 : 40
Commi	and					Tre	nsle	tion	1 Que	stio	nnaii	re						
CCNA	EXF	PO	N 1998	3-214	79.5	0 593	VE	R	IC	SC S	BØI	RegT	yp M) Ro	t C			
ECCK'									•			•	•		tetus	F		
				EC	Stat	us		RF	I NO	997-	21479	3-140	00			•		
															====	====	===:	====
			FF NOB															
ATP		BCR3			BCR	5			BCRB			_ M6	4	GI AR	F .			-
	_	====	=====	====	====		= 0		n Se	ction) =:			:====				
			TSC													ŊΤ	UALE)
116.		TYP								• • • •		Seq					OTL	
۵			RC 198	301							1,00	064	11112	. 5.9	NON			
- 11	_	_	110130	301					-	_	_		_	_	_	_	_	
6	_	_								_	-	_	_	_	_	_	_	
8 C D	_	_								_	_		_	_	_	-	-	
Dof.	cŦn	020	USDO	CGP.	CBN	СТР	FOCT	01	+0~4	Ear	-T-YY	YY F	ar T y	√ ∇∇	E0 <u>C</u> T	≂ ~~	·~	
	CIU	03110	0300	Coi	Crit	CT,	I AC		the i	1110	-1 ^^	100	101 7	^^^	FACI	**		
A B C D	-		-		_	_	-				_				_		_	
6	-		_			-	_								_		-	
0	_				_	_	-								_		-	
_	<u></u>			_	_	-	_								_		_	
Remar		OHOE	TONDE	4 70	MI II S													
	CHI	חווטב	TANDE	ri IU	MUL I	T 11	אואטצר	1•		-								_
****	- 		VT CO	401 6														

ICS9098I - NEXT COMPLETED.

0000 27

Command Translation Questionnaire (Continued)	11931986 15:40
CCNA EXF PON 1998-21479.50593 VER ICSC SB01 ReqTyp MC ECCKT AC198301 ASR EC Status RPON 1997-21479-14000	Status F
Ref BRAND ANNC CCW	
B	
C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX	C.NPR/NXX
C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX	C. NPA/NXX
C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX	C.NPA/NXX
C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX C.NPA/NXX	C.NPA/NXX
C.NPA/NXX C.NPA/NXX	
TOODERST NEXT COND. ETCO	

BDS-TELIS D Trensleti	ATA ENTRY SU on Questionn	BSYSTEM bire	11051998 15:40
		•	Status F
CClass CC Serv	5) Intra vice Prefixe	6)7) Inter_ Co s	_ 8) 9)
I+ Ø+	1+ 0+	1+ Ø+	
0 500 500	700 700 800	900 900 0-L ·	HII LPDR Ø+L
~			
ren – –			
	==== Feature 3)	EC Status RPON I EE Feature Group D Se 3)	### BDS-TELIS DATA ENTRY SUBSYSTEM Translation Questionnaire ###################################

Screen Comman		TQE	<u> </u>		1						NTRY uest						110	51998	15:40
EC	CKT A	KF P AC198		.998						•	_			1 R 479-				t C atus	F
AS	R				E(٠ ٥	cac	us			RPUN	133	1-21	4 / 3-	1400	U			
		====				R	out	ing	Ex	cept:	ion 1 Ser	Matr: vice	ix	nued fixe:			===		=====
ANI II														1+	-				
Digits	S	Servi	ce	1	+	00		01	500	500	700	700	800	900	900	0-L	411	LPDA	0+L
					_	_	_	_	_	_	_	-	_	_	_	_	_	_	_
					_	_	_	-	_	_	_	-	_	_	-	_	_	_	_
			—		-		_	_	_	-	-	-	_	-	-	-	_	_	_
			—		-	-	-	_	-	_	-	-	-	-	-		_	-	-
					_	-	_	-	-	-	_	-	-	-	-	-	-	-	-
							_	_	-	-	Ξ,	-	-	-	-	-	_	_	_
					_	_	_	-	_	- '	-	-	-	_	-	_	_	-	-
					_	_	-	_	_	_	_	_	_	_	-	-	-	-	_
					_	_	_	_		_	_		_	_	_	_	-	_	-
					-	_			-	_	_	_	_	-	_	***	_	_	

' ICS9098I - NEXT COMPLETED.

Comman	ICASR d er Stat R CNA ICF PON 195				10121998 Archive ECI 10121998 94381	PM
D/T Se ASR DDD 18 SUP Cust FNI CKR	0c 10121998 16.0 1 10121998 15.0 9828500223 0141998 Prjct AFO Exp INTERMEDIA/PHON TG0018284 AC198301	EC Status R RENG RLB FE RE ONE FE	121998 16,00 _ NOR LI 3GAUT _ Dated 3A	SPA _ C FDT _ ReqT	CC	- - R S_ 100
TSC ROrd RPON SAN Remerks I TANOE	N/R FIS RC1983Ø1 1997-21479-1400 THIS ORDER IS EM•SEE ORIGINAL	ACTL ATLNGS SPEC OCVN CHANGE ORDER ORDER WHICH IS	BUØIT APOTPPTDASC-ECAFGTO CHANGE TH	PFPTD TSP E IE ATLNGABUE	_A _ AI _ BSA TANDEM TO A	
ICS0001	FIND COMPLE	TE.	M' ^{R 3}	· 		

25 chide

1-205-978-65800

1-205-978-65800

1-305-978-65800

.1

2025 11

- --

Screen ICAUM BDS-TELL Command ASR Admi	inistration Information	998 17,08
ECCKT AC1983Ø1	OS VER ICSC SB01 ReqTyp SD Act	
ASR 9828500223 EC Status	R RPON 1997-21479-14000	
D: (IN_ TATCOMECTO COMMUNICOTTONIC	ling Information	=======
SCHO ICE IE O ESD	SBilNm	
Street 3625 QUEEN PALM ROAD	FI Rm VCVTR	
City TAMPA	FI Rm VCVTR	
BillCon LINE COST DEPT_ Tel 813-6	21-0011 SCL _ VTA	
TERRETERE CON	tact Information ================	****
Init JEFF NOBLE Street 3625 QUEEN PALM City TAMPA	Tel 813-829-2812	
Street 3625 QUEEN PALM	F1 Rm	
City TAMPA	State FL Zip 33619	
OsaCon JEFF NOBLE	Tel 813-829-2812-	
Street FAX 813-829-2841	Tel 813-829-2812 DRC FAX FDRC F1 Rm	
City TAMPA	State FL Zip 33619-	
ImpCon NOC	Tel 800-940-0033-	
ImpCon NOC MTC TEC ON DUTY	Tel 800-940-0033	
TOGGREET - NEYT COMPLETED		

TM-IM QUIDS

Screen ICSPE	BDS-TELIS DATE	A ENTRY SUBSYSTEM	10121998 17.08
Command	· ASR Special	Access Service	
CCNR ICF PON	1998-21479-5Ø593 YEF	Rec	Typ SD Act C
ECCKT AC19830	1		Status F
ASR 982850022	3 EC Status A	RPON 1997-21479-14	1000
Circuit Detail: N	C HCE- NCI Ø40S6.66	TLV	S25 FXR
TRE MOT GETO	_ GBTN H	P NSTM SR	
Security _ CETE_	SI SPOT	SecTI V	CKLT
NSI ATN	CEA N/A		
T97 - T97	CFA N/A FAU SSS SCFA		···
MILY OF	HBAN HE	ico i	· · · · · · · · · · · · · · · · · · ·
PRIADH	- HOLUS		
CCCODY	CLK NVC BEREE	I MP N/II	71.C BSC ETET
SECHUM	CLR NVC FSFEEL		_ ZLG _ BSC _ ETET _
Location Sect. Sec	Lc EATLNGABUØIT_ N/A Rm N/A	Street N/H_	
		_ CITY HILHNIH	St GA
RLoc			
		WKTel	
ACTel	EUCon	EU	Tel
LCon	ACC		
REN JKCod	- EUCon	m JKPos JS	SMJK
CTX Tel	CTX Nm		ISDN SEQ of
RMKS THIS IS JUST	A CHANGE ORDER TO CH	ANGE TANDEM ATLNGAB	UNIT TO A MULTI TAND
EM•			
ICS9Ø98I - NEXT CO	MPLETED		

פסתב זק

EXHIBIT C E-Mail from Michael Lofton to Kasey Howard

MODOL MATERICALEXES.

From: Lofton, Michael G. (EXCH)

Sent: Thursday, February 18, 1999 12:28 PM To: 'kasey.howard@bridge.bellsouth.com'

Cc: Thomas, Ed L. (EXCH)

Subject: Closing ASR 1998-21479.50593

Kasey.

Per our conversation this morning, concerning the multiple tandem Architecture, Intermedia concurs with your understanding that Bell South requested this to be deployed to assist with the completion of traffic being blocked due to capacity limitations in the Buckhead tandem. We also understand that Bell South has requested that this arrangement be left in place until Bell South has worked through the capacity problems in the Atlanta area and specifically the Buckhead tandem. We reiterate our preference to continue our direct interconnection to all the tandems in the Atlanta LATA.

Thus, I am closing out the ASR 1998-21479.50593 that you requested Intermedia submit to BellSouth in November in order to keep your Internal records consistent with BellSouth's circuit deployment.

Thanks

Mike Lofton
Manager - Network Facilities
813-829-2284
mglofton@intermedia.com

DUPLICATE IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

U.S.D.C. Atlanta	•
C. Allanta	

LIITus	rEB.	-7	2000
By: 52	H Th	OH	S, Clerk
	Dep	Suty	Clerk

BELLSOUTH)	
TELECOMMUNICATIONS, INC.,)	
•)	
Plaintiff,)	
)	
v.)	No. 1:99-CV-0518-JOF
)	
INTERMEDIA COMMUNICATIONS, INC.,)	
GEORGIA PUBLIC SERVICE COMMISSION,	·)	·
STANCIL O. WISE in his official capacity)	
as Chairman, LAUREN "BUBBA")	
MCDONALD, in his official capacity as)	
Commissioner, ROBERT DURDEN,)	
in his official capacity as Commissioner,)	
and ROBERT B. BAKER, JR., in his)	
official capacity as Commissioner,)	
)	
Defendants.)	•

BELLSOUTH TELECOMMUNICATIONS, INC.'S RESPONSE TO INTERMEDIA COMMUNICATIONS, INC.'S MOTION TO COMPEL PAYMENT INTO COURT

BellSouth Telecommunications, Inc. ("BellSouth") hereby responds to and opposes Intermedia Communications, Inc.'s ("Intermedia") Motion to Compel BellSouth Telecommunications, Inc. To Deposit Funds Into Court In Accordance With The Court's Order (the "Motion"). The Court should deny Intermedia's Motion for two reasons. First, BellSouth has complied with, and will continue to comply with, the Court's April 30, 1999 Order (Docket No. 19) ("April 1999 Order") regarding the deposit of funds with the Court. Second, BellSouth agrees with Intermedia that the rate dispute that has arisen between BellSouth and Intermedia is not properly before this Court and should be resolved by the Georgia Public Service Commission (the "GPSC"). The dispute over the appropriate reciprocal compensation rate the parties should be paying in Georgia has nothing to do with the issue presently before the Court, namely whether BellSouth is obligated to pay reciprocal compensation for non-local ISP-bound traffic pursuant to the terms of the parties' interconnection agreement. Consequently, BellSouth regrets that Intermedia continues to attempt to embroil the court in this rate dispute, particularly because, after the filing of the Motion, BellSouth offered to escrow the funds associated with this rate dispute in a separate account pending resolution of the issue by the GPSC. Intermedia rejected BellSouth's offer, proposing instead that the funds be placed with the registry of the court, and remain with the court until the GPSC resolves the rate dispute, even though the rate dispute is not before the Court. Indeed, Intermedia's proposal cannot be squared with its adamant position, as set forth in its Motion, that "this Court is not the jurisdictional forum for...the enforcement issue...." (Motion at 13). For these reasons, BellSouth respectfully requests that the Court deny Intermedia's Motion.

DISCUSSION

I. BELLSOUTH HAS COMPLIED FULLY WITH THE COURT'S ORDER TO DEPOSIT FUNDS INTO COURT.

In its Motion, Intermedia claims that BellSouth has failed to comply with the Court's April 1999 Order by not paying into Court the sums invoiced by Intermedia. Intermedia's position is based on a misunderstanding of the Court's April 1999 Order. In the April 1999 Order, the Court directed "that BellSouth shall deposit with the Court, no later than May 4, 1999, all sums that have been billed to BellSouth by Intermedia that would be due to Intermedia...."

(April 1999 Order at 2) (Emphasis added). The Court further directed that "BellSouth shall deposit with the Court all sums of disputed reciprocal compensation that have been billed to

BellSouth by Intermedia that were to be due between March 1, 1999, and May 11, 1999." (April 1999 Order at 2) (Emphasis added). Finally the Court held that "BellSouth shall deposit with the Court all further amounts of disputed reciprocal compensation within thirty (30) days of BellSouth's receipt of an invoice from Intermedia...." (April 1999 Order at 2-3). The April 1999 Order does not specify that BellSouth must pay all amounts invoiced; rather, it specifies that BellSouth must pay into Court the "amounts that would be due" if the Court decided in Intermedia's favor on the question of whether reciprocal compensation is due for ISP-bound. traffic. BellSouth is not obligated, as Intermedia contends, to pay into Court any amount that Intermedia chooses to bill BellSouth. Such an interpretation would lead to absurd results.

Intermedia's position is that the Court directed BellSouth to pay into Court the "amounts billed by Intermedia." (Motion at 8). This position, however, is faulty because it reads out of the April 1999 Order the clause: "that would be due to Intermedia." Because it renders portions of the April 1999 Order superfluous, such a construction is not permissible. The Court specifically limited the payments into Court to those that would be due if Intermedia prevails on the ISP issue. Moreover, however ill-founded its position, Intermedia already seems to be claiming that BellSouth somehow acquiesced in the rate by making initial payments into the Court using Intermedia's rate. If BellSouth were required by the April 1999 Order to pay into Court all amounts "invoiced," BellSouth would have to pay based on Intermedia's rate and thereby potentially jeopardize its chances of recovering these disputed funds from Intermedia.

BellSouth has complied with the Court's April 1999 Order by paying into the registry of the court the amounts that would be due (i.e. amounts calculated at the appropriate rate) should Intermedia prevail on the ISP issue. Thus, the Court should deny Intermedia's Motion because it

is based on a misinterpretation of the Court's April 1999 Order and of BellSouth's obligations pursuant to that Order.

II. BELLSOUTH AGREES THAT THE GEORGIA PUBLIC SERVICE COMMISSION SHOULD RESOLVE THE DISPUTED RATE ISSUE.

BellSouth agrees with Intermedia that the rate dispute should be addressed in the first instance by the GPSC. In fact, in an effort to resolve this matter, BellSouth proposed in a letter to Intermedia that:

- BellSouth will continue to pay into the Registry of the court appropriate sums for ISP-bound traffic calculated at the rate BellSouth believes is correct.
- BellSouth will establish a separate, interest-bearing escrow account into which it will
 deposit the difference in reciprocal compensation using the rate it contends is
 appropriate and the rate Intermedia contends is appropriate.
- Intermedia may file a petition with the Georgia Public Service Commission for a
 declaratory judgment on the issue of the dispensation of the funds in the separate
 escrow account.
- Should the district court case conclude prior to the proceeding at the Georgia Public
 Service Commission, BellSouth will continue to pay the difference between the rate it
 contends is appropriate and the rate Intermedia contends is appropriate for ISP-bound
 traffic into the separate escrow account until the Georgia Commission renders a
 decision regarding the dispensation of the funds.

BellSouth has attached hereto as Exhibit A a copy of its letter to Intermedia.

The purpose of BellSouth's proposal was to achieve precisely what Intermedia purports to want — the extrication of the Court from a dispute over rates which both parties agree should be in the hands of the GPSC. Intermedia declined to accept BellSouth's proposal. BellSouth continues to be amenable to depositing the disputed funds in a separate escrow account pending the GPSC's resolution of the rate issue; such an arrangement would guarantee Intermedia that the

¹ It is noteworthy that although it continues to complain about the rate BellSouth is using to pay reciprocal compensation to Intermedia, and although it acknowledges that the GPSC is the appropriate forum to resolve this dispute, Intermedia has not yet decided, for whatever reason, to bring its complaint to the GPSC's attention.

funds will be accrued and ready to pay should it prevail at the GPSC, without further burdening this Court about a dispute that is not properly before it.

In the alternative, BellSouth will agree to pay the amounts invoiced by Intermedia into the registry of the court so long as no funds whatsoever are disbursed from the registry until the GPSC issues a decision on the rate dispute. Although this alternative will require the Court potentially to maintain the funds in the registry after the Court has issued a decision on the ISP issue, it will address Intermedia's desire to have the disputed funds paid into Court rather than into a separate escrow account.

CONCLUSION

WHEREFORE, BellSouth respectfully requests that this Court DENY Intermedia's Motion and find that BellSouth is in compliance with the Court's April 1999 Order directing BellSouth to pay into Court all sums "that would be due" to Intermedia should Intermedia prevail on the ISP issue. In addition, BellSouth proposes that it either: (1) escrow the disputed funds in a separate escrow fund pending the outcome of the matter before the Georgia Public Service Commission; or (2) deposit the disputed funds with the registry of the court, provided that no funds will be disbursed by the Court until the Georgia Public Service Commission issues a decision on the rate dispute.

This 7th day of February, 2000.

Ithur C. Mu

Respectfully submitted,

Matthew H. Patton (Ga. Bar No. 467300)

John F. Beasley (Ga. Bar No. 045000)

Robert P. Marcovitch (Ga. Bar No. 469979)

KILPATRICK STOCKTON LLP Suite 2800 1100 Peachtree Street Atlanta, Georgia 30309-4530 (404) 815-6500

Fred McCallum Jr. (Ga. Bar. No. 481517) General Counsel-Georgia BellSouth Telecommunications, Inc. Legal Department Suite 376 125 Perimeter Center West Atlanta, Georgia 30346 (770) 391-2416

Attorneys for Plaintiff BellSouth Telecommunications, Inc.

Lisa S. Foshee Attorney BellSouth Telecommunications, Inc. Legal Department - Suite 4300 675 West Peschtree Street Atlanta, Georgia 30375-0001 Telephone: 404-835-0754 Facelmile: 404-614-4054

January 26, 2000

Scott A. Sapperstein Intermedia Communications Inc. 3625 Queen Palm Drivo Tampa, FL 33619

Rc:

BellSouth Telecommunications, Inc. v. Intermedia Communications, Inc.,

Case No. 1:99-CV-0518

Dear Scott:

As we discussed in our telephone conversation on January 25, 2000, the following is a written statement of BellSouth's proposal regarding Intermedia's Motion to Compel BellSouth Telecommunications, Inc. To Deposit Funds Into Court. Specifically, BellSouth proposes the following:

- BellSouth will continue to pay into the Registry of the court appropriate sums for ISP-bound traffic calculated at the rate BellSouth believes is correct.
- BellSouth will establish a separate, interest-bearing escrow account into which it will
 deposit the difference between the rate it contends is appropriate and the rate
 Intermedia contends is appropriate for ISP-bound traffic.
- Intermedia may file a petition with the Georgia Public Service Commission for a
 declaratory judgment on the issue of the dispensation of the funds in the separate
 escrow account.
- Should the district court case conclude prior to the proceeding at the Georgia Public
 Service Commission, BellSouth will continue to pay the difference between the rate it
 —contends is appropriate and the rate Intermedia contends is appropriate for ISP-boundtraffic into the separate excrow account until the Georgia Commission renders a
 decision regarding the dispensation of the funds.

Please let me know at your earliest convenience whether such terms are acceptable to Intermedia.

Sincerely,

Lisa Foshee

CERTIFICATE OF SERVICE

This is to certify that I have this day caused to be served a true and correct copy of the foregoing "BELLSOUTH TELECOMMUNICATIONS, INC.'S RESPONSE TO INTERMEDIA COMMUNICATIONS, INC.'S MOTION TO COMPEL PAYMENT INTO COURT" by mail, with adequate U.S. postage applied, upon the following:

Newton M. Galloway, Esq.
Dean R. Fuchs, Esq.
Newton M. Galloway & Associates
Suite 400, First Union Tower
100 S. Hill Street
Griffin, Georgia 30224
Attorneys for Proposed Intervenor
MediaOne Telecommunications of Georgia, LLC

R. David Powell, Esq. Assistant United States Attorney 1800 Richard Russell Building 75 Spring Street, S.W. Atlanta, Georgia 30335

Theodore C. Hurt, Esq.
Rachel J. Hines, Esq.
Federal Programs Branch
Civil Division
U.S. Department of Justice
901 E. Street, N.W. Room 927
Washington, D.C. 20004

Attorneys for Proposed Intervenor United States of America

Daniel S. Walsh, Esq. Assistant Attorney General 40 Capitol Square Atlanta, Georgia 30334

Thomas K. Bond, Esq.
Special Assistant Attorney General
c/o Georgia Public Service Commission
47 Trinity Avenue, S.W.
Atlanta, Georgia 30334

Attorneys for Defendants Georgia
Public Service Commission and for
the Individual Defendant Public Service Commissioners

Patrick K. Wiggins, Esq. Wiggins & Villacorta 2145 Delta Boulevard, Suite 200 Tallahassee, Florida 32303 Attorney for Defendant Intermedia Communications, Inc.

John MacLean, Esq. 2 Martin Luther King Drive Plaza Level East Atlanta, Georgia 30334 Consumers' Utility Counsel

This 7th day of February, 2000.

Robert P. Marcovitch

INTERMEDIA COMMUNICATIONS INC.

CERTAINTY IN RECIPROCAL COMPENSATION POLICY IS ESSENTIAL TO PREVENT ANTICOMPETITIVE GAMESMANSHIP

David Ruberg, Chairman & CEO Heather Gold, VP Regulatory Jon Canis, Kelley Drye & Warren February 29, 2000

BELLSOUTH'S ANTICOMPETITIVE RECIP. COMP. GAMESMANSHIP

- BELLSOUTH HAS USED HARASSING LITIGATION TO DELAY PAYMENT OF RECIP. COMP. TO INTERMEDIA
 - Ordered to Pay by FL, NC, GA, TN PUCs
 - Appealed, Stay Denied in FL, NC, GA, Stay
 Petition Pending in TN
 - Disputed Payments Now Being Made Pending Appeal in FL, NC, GA (Direct or Escrow)

BELLSOUTH'S ANTICOMPETITIVE RECIP. COMP. GAMESMANSHIP (cont'd)

- AFTER LOSING ITS CASES & STAY REQUESTS, BELLSOUTH NOW ARGUES INTERMEDIA'S RATES ARE INCORRECT -- TOO HIGH
 - Focus on a "Multi-Tandem Architecture"
 Amendment to the Interconnection Agreement
- THIS LATEST DISPUTE HAS STARTED A NEW ROUND OF LITIGATION

BELLSOUTH'S ANTICOMPETITIVE RECIP. COMP. GAMESMANSHIP (cont'd)

THE MTA OFFERING

- Proposed by BellSouth in June 1998 After
 Asserting That Tandem Trunks in Buckhead, GA
 Were Exhausted
 - MTA proposed by BellSouth as means for bypassing tandem via alternative trunking
 - Bellsouth convinced Intermedia engineers that MTA was the only way to alleviate exhaust in Buckhead

BELLSOUTH'S ANTICOMPETITIVE RECIP. COMP. GAMESMANSHIP (cont'd)

- THE MTA OFFERING (cont'd)
 - The MTA Amendment Contained a Provision reducing by More Than 70%-80% the Recip.
 Comp. Rates in Intermedia's Interconnection Agreement
 - Clear That BellSouth Contrived the MTA as a Means of Forcing a Unilateral Reduction in Recip. Comp. Rates